Leader-Organization Fit: Comparing the Effectiveness of Paternalistic and Transformational Leadership in Different Organizational Cultures

RIO DE JANEIRO

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“LEADER-ORGANIZATION FIT: COMPARING THE EFFECTIVENESS OF PATERNALISTIC LEADERSHIP AND TRANSFORMATIONAL LEADERSHIP IN DIFFERENT ORGANIZATIONAL CULTURE”

Dissertação apresentada ao Curso de Mestrado em Administração da Escola Brasileira de Administração Pública e de Empresas para obtenção do grau de Mestre em Administração.

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Abstract

Research on paternalistic leadership (PL) has been based exclusively on national cultures’ differences. However there are cues that other contextual variables can add to the explanation of this construct. Due to its capacity to influence expectations of individuals in organizations, organizational culture can contribute to fill this gap. To test if organizational culture influences the effectiveness of leadership style, we conducted two experimental studies using Amazon’s Mechanical Turk, comparing effects of paternalistic and transformational leadership on followers’ outcomes. Using video clips and vignettes, we found that PL is better related to followers’ outcomes in cultures oriented to people than outcome, and that TL has a better relationship in cultures oriented to innovation than stability. The results suggest that organizational culture helps in explaining PL endorsement, and that further analysis of the influence of this variable to PL can provide a better understanding of the expression of this leadership style in organizations.

Keywords: Paternalistic Leadership; Transformational Leadership; Organizational Culture; Person-Organization Fit; Implicit Leadership Theory
Resumo

Pesquisas em liderança paternalista (LP) têm sido baseadas exclusivamente em diferenças nas culturas nacionais. Contudo, existem evidências que outras variáveis contextuais podem contribuir para a explicação deste construto. Em razão da sua capacidade de influenciar as expectativas dos indivíduos nas organizações, a análise da cultura organizacional pode contribuir para suprir essa lacuna. Para testar se a cultura organizacional influencia a eficácia do estilo de liderança, nós conduzimos dois estudos experimentais utilizando o Amazon Mechanical Turk, comparando os efeitos da liderança paternalista e transformacional nos resultados dos seguidores. Usando vídeos e vinhetas, nós encontramos que LP é melhor relacionada com os resultados dos seguidores em culturas orientadas para pessoas do que para resultados, e que LT apresenta uma relação melhor em culturas orientadas para inovação do que para estabilidade. Esses resultados sugerem que a cultura organizacional pode ajudar a explicar a aceitação da LP, e futuras análises sobre a influência deste variável em LP podem proporcionar um melhor entendimento da expressão deste estilo de liderança nas organizações.

Palavras-chave: Liderança Paternalista; Liderança Transformacional; Cultura Organizacional; P-O Fit; Teoria Implícita da Liderança
List of Tables

Table 1: Correlation Matrix - Study 1 ................................................................. 21
Table 2: ANOVA Results - Study 1 ................................................................. 22
Table 3: Correlation Matrix - Study 2 ................................................................. 26
Table 4: ANOVA Results - Study 2 ................................................................. 27

List of Figures

Figure 1: Graphs of Interactions – Study 1 ................................................................. 23
Figure 2: Graphs of Interactions - Study 2 ................................................................. 28
Summary

1. Introduction ........................................................................................................................................... 9
2. Analytical Framework .......................................................................................................................... 10
   2.1 Paternalistic Leadership (PL) ........................................................................................................... 10
   2.2 Paternalistic Leadership (PL) and Transformational Leadership (TL) ........................................ 13
   2.3 Leadership and Organizational Culture ....................................................................................... 14
3. Studies .................................................................................................................................................. 17
   3.1 Overview of Studies ....................................................................................................................... 17
   3.2 Study 1 ........................................................................................................................................... 17
      3.2.1 Method ..................................................................................................................................... 18
      3.2.2 Results ..................................................................................................................................... 21
      3.2.3 Discussion ............................................................................................................................... 23
   3.3 Study 2 ........................................................................................................................................... 24
      3.3.1 Method ..................................................................................................................................... 25
      3.3.2 Results ..................................................................................................................................... 26
      3.3.3 Discussion ............................................................................................................................... 28
4. General Discussion ............................................................................................................................. 29
   4.1 Contributions ................................................................................................................................. 31
   4.2 Limitations and Suggestions for Future Research ........................................................................ 32
   4.3 Conclusion ...................................................................................................................................... 33
5. References ........................................................................................................................................... 34
Appendix .................................................................................................................................................. 40
1. Introduction

Paternalistic leadership (PL) is a recent and paradoxical construct which still needs theoretical and empirical refinement (Aycan, 2006; Aycan et al., 2013). PL was first analyzed in East Asia, more specifically in China, where the figure of a leader with high control of work environment, benevolent attitudes toward followers and high integrity characterized the organizations (Aycan, 2006; Pellegrini & Scandura, 2008). Further studies demonstrate that PL was not exclusive to Chinese and Confucian ideology, but that it seemed to be in effect in other collectivist and high power distance cultures (e.g. Pellegrini & Scandura, 2006). Thus, despite the criticism of Western literature, paternalistic leadership has produced positive results in regard to followers’ attitudes and has been a basis for explaining the reality of organizations in several cultures around the world (Pellegrini & Scandura, 2006; Martinez, 2003; Uhl-Bien, Tierney & Wakabayashi, 1990).

Studies have analyzed how national culture explains the expression of paternalistic leadership (Cheng et al., 2004; Farh & Cheng, 2000; Niu, Wan & Chang, 2009; Pellegrini & Scandura, 2008). However, there are almost no studies that have examined other contextual characteristics influencing the effectiveness of this style. Following the suggestions of Pellegrini, Scandura & Jayaraman (2010), which indicate that other factors beyond national culture can explain the endorsement of paternalistic leadership, and considering the importance of strong organizational culture to employees’ lives (Schein, 2004; Yu, 2014), we argued that the analyze of the culture in organizations can provide insight in understanding the expression of paternalistic leadership.

To explain the rationale of how organizational culture shapes leaders’ attitudes, behaviors and effectiveness, we rely on person-organization fit theory (P-O fit, O’Reilly, Chatman & Caldwell, 1991; Yu, 2014) and implicit leadership theory (House et al., 2004; Lord and Maher, 1991; Lord et al., 2001). Person-organization fit theory indicates that organizations tend to select and reward employees who are aligned with their values and individuals also look for organizations which match their expectations, performing better when this fit occurs (Cable & Judge, 1996; Kristof-Brown, Zimmerman, & Johnson, 2005; O’Reilly, Chatman & Caldwell, 1991; Yu, 2014). As a result, it is expected that employees who achieve leadership positions are the best representatives of organizational values (Schein, 2004). Together with that, based on the leadership implicit theory (Lord and Maher, 1991), authors have shown that leadership effectiveness is affected by the extent to which leaders fit followers’ prototypes of leadership (Dorfman et al., 2012; Lord et al., 2001). Since these ideals are socially developed, organizational culture also has a role in shaping them, reinforcing its relevance in explaining the endorsement of given leadership behaviors in different contexts (House et al., 2004; Kwantes & Boglarsky, 2007).
In addition to this, researcher has focused on the analysis of the influence on followers’ outcomes (Chen et al., 2011; Pellegrini & Scandura, 2006; Wang & Cheng, 2010; Wu et al., 2011) and little has been done to compare PL with other types of leadership, as to demonstrate its congruence and divergence (Aycan et al., 2013; Göncü, Aycan & Johson, 2014). In this sense, transformational leadership (TL) seems to be a natural candidate to develop this comparison and contributes to PL literature. This is argued because TL is the most frequently investigated leadership construct in Western countries and by many scholars it is considered the ideal leadership style independent of the cultural context (Göncü, Aycan & Johson, 2014). Transformational leaders aim to leverage followers’ achievement via idealized influence, individualized consideration, intellectual stimulation, and inspirational motivation. In contrast, PL has been demonstrated to be a leadership style specific to Eastern cultures which provides care to followers’ work and non-work lives and in return expects deference from them (Göncü, Aycan & Johson, 2014).

Given that, this study compares paternalistic leadership and transformational leadership in different organizational cultures. By using an experimental design, the aim of this research is to understand how organizational culture can work to explain PL effectiveness. We expect to contribute to the literature of paternalistic leadership in two ways: by taking the first step in understanding the influence of contextual factors on the relationship between paternalistic leadership and followers’ reactions; and by comparing paternalistic leaders’ effectiveness with other leadership styles. In addition, there are a limited number of works which analyze the influence of organizational culture to leadership and this work makes a contribution in this area as well. Preliminary findings suggest that future refinements are promising.

To better clarify our approach and its argument, this study presents the following structure: Section 2 presents the theoretical background; Section 3 outlines both studies, their hypotheses, research methods and main results; and Section 4 presents the general discussion and main conclusions of the study.

2. Analytical Framework

2.1 Paternalistic Leadership (PL)

During the last two decades, the construct of paternalistic leadership has increased its relevance in leadership literature. This research stream started in the 1990s when studies analyzing the Asiatic and Chinese context found that leaders were effective when paternal authority and benevolent behavior coexisted (Jackman, 1994; Sinha, 1990; Westwood, 1997). This caught researchers’ attention because of the difference from the Western description of effective leaders: oriented exclusively for the professional environment and empowering employees (Cheng et al., 2004; Pellegrini & Scandura, 2008). Then, it motivated a series of other studies that have confirmed the initial results in the Asiatic context, where the figure of paternal leaders prevails (Cheng
et al., 2004; Farh & Cheng, 2000; Niu, Wan & Chang, 2009; Pellegrini & Scandura, 2008).

Trying to explain “why” Eastern leaders have such characteristics, researchers found the roots of paternalism in Chinese organizations within Confucianism. As demonstrated by Cheng et al. (2004), this ideology has been guiding the behavior of the Chinese for more than twenty five centuries and it expects leaders to take control of decisions, be moral role models and protect the followers. In return, leaders can expect respect, loyalty and compliance of followers.

Farh and Cheng (2000) believe the paternal leader combines strong discipline and authority with fatherly benevolence and moral integrity. In this definition we can note three dimensions of paternalism: authority, benevolence and morality. The first dimension reflects the authoritarian behavior expected of these leaders, exercising control over subordinates and their tasks. The second dimension is benevolence and it is expressed by the leaders’ concern about followers’ problems (Niu, Wan & Chang, 2009; Pellegrini & Scandura, 2006). In this sense, the leader values the well-being and cares about the professional and personal lives of subordinates, as it is common to hear from paternalistic leaders: “How is your son doing? Is everything ok with your family?”. In turn, subordinates demonstrate gratitude and look forward to repaying this attention in their tasks (Pellegrini & Scandura, 2008). The third dimension is morality, which refers to the integrity of the leader, perceived when he/she demonstrates moral and altruistic character through his/her behaviors and attitudes (Farh & Cheng, 2000). This dimension dialogues with benevolence and authority, since the leader is perceived as a moral person and a role model for subordinates, they believe that the leader will not deceive them, which facilitates subordinate commitment.

In Aycan (2006) similar logic is found, but by focusing especially on the personal attention of the leader to followers and the exercise of his authority. This author proposed that paternalistic leadership is defined by five instead of three dimensions: creating a family environment in the workplace; establishing close and personalized relationship with subordinates; getting involved in employees’ non-work lives; expecting loyalty and deference from subordinates; maintaining authority and status hierarchy (Aycan, 2006).

Independent of the approach, studies have shown that this leadership style has a positive relationship with outcomes such as trust, commitment and extra-role effort (Chen et al., 2011; Pellegrini, Scandura & Jayaraman, 2010; Wu et al., 2011) and job satisfaction (Pellegrini & Scandura, 2006). However, because paternalistic leaders are still seen as paradoxical, researchers have hypothesized that the presence and effectiveness of paternalistic leadership is culture bounded (Aycan, 2006, Aycan et al., 2013).

In regard to that, the main argument of authors is that paternalism is mainly found in societies with a high level of power distance and collectivism (Aycan, 2006; Pellegrini & Scandura, 2008; Dorfman et al., 2012). The power distance dimension
indicates the degree of inequality that the power is distributed at the society. In societies with high power distance, leaders have a higher control of the decisions and subordinates have a great respect for hierarchy (Aycan, 2006, Pellegrini & Scandura, 2006). This is somehow related to the control dimension of authoritarianism, which explains the endorsement of paternalistic leadership in societies with a high level of power distance.

In collectivist societies, the presence of paternalistic leaders is also expected. In these societies, personal relationships are especially valued and individuals’ lives are developed around groups, which not only helps to shape their identity but also provides protection in return for their loyalty (Aycan, 2006; Pellegrini & Scandura, 2006). These characteristics are aligned with the dynamic of paternalistic leadership, where leaders demonstrate a sense of protection, care about issues beyond the professional arena and employees express respect and compliance for their leaders. From the other side, the protection and control demonstrated by paternalistic leaders are usually looked down upon in low power distance and individualistic cultures, inspiring feelings as privacy invasion and contrasting with the proactive orientation of employees (Aycan, 2006).

Indeed, this positive relationship between cultural dimensions of power distance, collectivism and the effectiveness of paternalistic leadership has been found in several countries beyond the Chinese context. In Japan, for instance, Uhl-Bien, Tierney and Wakabayashi (1990) noted that Japanese companies demonstrated paternalistic characteristics and employees which adapted to them are the most successful. In Turkey, the paternalistic characteristic of leadership influenced job satisfaction (Pellegrini & Scandura, 2006). This kind of relationship was also found by Martinez (2003) in Mexican culture, where paternal behavior was expected by employees.

Despite these hypotheses in relation to the cultural characteristics and the criticism of Western literature to paternalistic leadership’s effectiveness, recent studies have found positive effects of paternalistic leadership on outcomes as commitment and job satisfaction even in low power distance and individualistic societies. To illustrate, Pellegrini, Scandura and Jayaraman (2010) hypothesized that paternalistic leadership would have negative correlation with employees’ attitudes in the U.S.; however, a positive relationship was found for both dependent variables in their models, commitment and job satisfaction (The relationship was even significant for commitment).

This indicates that independent of the power distance and individualism of national culture, other factors can explain why some characteristics of paternalism are valued in a leader. In Pellegrini, Scandura and Jayaraman (2010) it was argued that the attention for followers could be one of the characteristics that explained the significant commitment of followers in the presence of paternalistic leaders. In the same line, by analyzing Messick’s (2005) discussion about leader-follower relationship it is possible to note some characteristics that are highly related to the idea of paternalistic leadership and can help to explain the positive influence in different countries despite the culture:
the protection and security of the followers; and the ability to make the followers feel included and have a sense of belonging to a group. According to this author, if used in a balanced way these dimensions are reciprocated with gratitude, loyalty, cooperation and extra role effort by the followers.

In sum, paternalistic leadership is a recent and paradoxical construct which previous results have not been totally conclusive about the contexts where it is effective. It is a possibility that contextual factors, as organizational culture, can have stronger influence to the effectiveness of leaders with these characteristics than national culture. Then, contextualized studies are needed to deepen the understanding and discuss further findings.

2.2 Paternalistic Leadership (PL) and Transformational Leadership (TL)

One of the most relevant constructs of leadership in contemporary literature is transformational leadership (Avolio & Bass, 1999; Christie, Barling & Turner, 2011; Grant, 2012; Judge & Piccolo, 2004). This leadership style is characterized by promoting: idealized influence, inspirational motivation, intellectual stimulation and individualized consideration. This suggests that the transformational leader has good skills in communicating with the followers in such a way that motivates them to accomplish the task and also in creating an environment where the employees have a high level of autonomy (Judge & Piccolo, 2004). Analyzing the GLOBE Project, a cross-cultural study done in 62 countries, we find that these characteristics of transformational leadership are universally desired in a leader, which explains the great attention of the literature to this leadership theory (Dorfman et al., 2012).

Transformational leadership is different from paternalistic leadership in many ways. Considering the findings of Cheng et al. (2004), we can point out key differences between these constructs. According to the authors, both styles demonstrate individualized consideration, but in paternalistic leadership the care and attention of the leader is not limited to professional issues and the leader also cares about followers’ personal lives. In the case of the paternalistic leader, there is a strong concern for the well-being of the followers, displaying attention and protecting them in case of problems. The process of decision making and work dynamic present other distinctions between these two styles. While the transformational leader inspires and empowers followers to find solutions by themselves, the paternalistic leader centralizes the decision making and followers are obedient to his directions (Chen et al., 2011). In addition, we can note both leadership styles inducing different emotions: while transformational leaders are related to optimism and excitement, paternalistic leaders are linked to emotions as identification, respect and gratitude (Chen et al., 2011). Evidence of these distinctions and the unique effect of each leadership style can be found in Cheng, Shieh, and Chou (2002) and Cheng et al. (2004). The authors found
significant effect of paternalistic leadership on different outcomes after controlling for transformational leadership.

Thus, considering paternalistic and transformational leadership particularities, it is expected that differences in the endorsement of these leadership styles can be explained by contextual characteristics (Nielsen & Cleal, 2011; Pellegrini, Scandura & Jayaraman, 2010). In this sense, a comparative analysis of the effectiveness of these two leadership styles in different contexts can provide relevant insights.

2.3 Leadership and Organizational Culture

Despite individual particularities when analyzing the way people behave and relate to others in a determinate society, some patterns can be found and one of the explanations for this is that these individuals share the same cultural values (Dickson et al., 2012; Dorfman et al., 2012; Schein, 2004; Kwantes & Boglarsky, 2007). As described by Dickson et al. (2012), the concept of culture is not exclusive to the social sciences, but is also used in biology, horticulture and arts; however, it is well known that the word culture makes references to similarities within a society or differences among one society and another. This focus is illustrated by the following definition, in which culture is: “shared motives, values, beliefs, identities, and interpretations or meanings of significant events that result from common experiences of members of collectivities and are transmitted across age generations” (House et al., 1999, p. 13).

It is common that researchers make a reference to the national level when thinking about culture and indeed there is a large and successful field of study dedicated to analyze differences between national cultures and they have an influence on the management of organizations (Bass, 1997; Dickson et al., 2012; Dorfman et al., 2012; Hofstede, 1980; House et al. 2002). In organizations we can also find the expression of different cultures and the analysis of organizational culture has also provided important insights to understand people’s differing values and behaviors (Javidan et al., 2010; O’Reilly, Chatman & Caldwell, 1991; Schein, 2004).

Organizational culture is mainly expressed through shared artifacts, rituals, behaviors, values and assumptions, and these aspects are developed along the years reflecting the way the organization responded to the external world and how individuals communicate amongst themselves (O’Donnel & Boyle, 2008; Vanderberghe, 1999). This vision is shared by Schein (2004) who defined the culture of an organization as “a pattern of shared basic assumptions that was learned by a group as it solved its problems of external adaptation and internal integration, that has worked well enough to be considered valid and, therefore, to be taught to new members as the correct way to perceive, think, and feel in relation to those problems” (Schein, 2004, p. 17). Organizational culture provides a common background to employees and, consequently, influences how individuals make sense of their context (Kwantes & Boglarsky, 2007; Sheridan, 1992; Trice & Beyer, 1993) and by doing that it diminishes the uncertainty,
increases the sense of identity and the capacity to cooperate in an organization (O’Donnel & Boyle, 2008). Thus, an organizational culture aligned with the internal and external demands can contribute not just to the well-being but also to the productivity of the organization as a whole. For this reason authors have been defending the development of a strong organizational culture (Denison, 1990; Sorensen, 2002).

Given that, the importance of managing organizational culture in benefit of the organization is evident, and leaders have a central role in this process (O’Donnel & Boyle, 2008; Sutarjo, 2011). For Schein (2004) the dynamic of an organizational culture can be understood through the lens of an evolutionary process (Development, Maintenance and Change) in which leaders have direct responsibility. The importance of managing this process is such that several authors share the thoughts of Schein (2004) that “the only thing of real importance that leaders do is to create and manage culture; that the unique talent of leaders is their ability to understand and work with culture; and that it is an ultimate act of leadership to destroy culture when it is viewed as dysfunctional” (Schein, 2004, p.11).

The influence of leaders on cultural development is certainly important to consider when analyzing the work dynamic in a given organization and researchers have made great advances in understanding this relationship (Schein, 2004, Sutarjo, 2011; Wilderon, Berg & Wiersma, 2012) However, what about the influence of organizational culture on leaders’ values, behaviors and effectiveness? In Kwantes & Boglarsky (2007), the authors defend the relevance of context to leadership and find an interaction between culture and leader effectiveness, where organizational cultures that value employee satisfaction were positively related to leadership effectiveness while organizational cultures that develop defensive reactions were negatively related. But, research studies such as this are still exceptions and little attention has been given to this side of the relationship.

Despite that, this side of the relationship seems to be relevant to fully understanding the interaction between organizational culture and leadership. For instance, several authors suggested that situational factors are of great importance to the effectiveness of leadership (Fiedler, 1995; Fiedler & Garcia, 1987; House & Mitchell, 1997) and by influencing the way people perceive the world and behave the organizational culture can be understood as a relevant contextual variable (Kwantes & Boglarsky, 2007). Consequently, leaders have to look for legitimacy within their organizational context, which is shaped by its culture.

To analyze the influence of organizational culture on leaders, first of all we have to understand that they are also employees of the organization and have gone through a selection process, socialization and continued evaluation until they achieved the leadership position. Therefore, we argue that an essential condition for employees to become leaders is that they share the same “personality” of their organizations (Cable & Judge, 1996; O’Reilly, Chatman & Caldwell, 1991; Tom, 1971). Such an argument is based on the person – organization (P-O) fit literature and implies that individuals are
attracted to organizations with similar values because this similarity decreases uncertainty, increases integration and consequently leads to positive outcomes for individuals and organizations (O’Reilly, Chatman & Caldwell, 1991; Schneider, 1987; Tsui & O’Reilly, 1989; Yu, 2014).

Studies have demonstrated that the congruence of values between employees and organizations influences the job search of individuals and the organization’s selection process (Cable & Judge, 1996, 1997; Chapman et al., 2005; Yu, 2014) and that higher levels of fit are related to higher levels of employee retention (O’Reilly, Chatman & Caldwell, 1991; Vanderberghe, 1999), satisfaction, commitment and performance (Cable & Judge, 1996; Kristof-Brown, Zimmerman, & Johnson, 2005). In this sense, considering that those better evaluated in an organization are the ones who are similar to the organization’s expectations (O’Reilly, Chatman & Caldwell, 1991; Yu, 2014) and that the employees who occupy a position of leadership in organization are the best evaluated, it is expected that leaders are the best representatives of organizational ideals and their characteristics are strongly aligned with those promoted by the organizational culture (Schein, 2004).

On the other hand, when employees achieve a position of leadership they start to exercise another role within the organization and in this new position the attitudes their subordinates have toward them directly influences their effectiveness (Chemers, 2002; House et al., 2002). Based on the implicit leadership theory (ILT, Lord and Maher, 1991) subordinates’ prototypes of leadership explain their evaluations of the leaders (Dorfman et al., 2012; House et al., 2004; Javidan et al., 2010). These prototypes are socially developed, depending on individuals’ experiences and context which in turn are highly influenced by the culture that people are inserted (Dorfman et al., 2012; House et al., 2004; Kwantes & Boglarsky, 2007; Lord et al., 2001). This means that the orientation of the organizational culture defines what kind of leadership is acceptable, shaping followers’ expectations and leaders’ behavior (Dorfman et al., 2012; House et al., 2004; Schein, 1991).

Following this rationale, it has been shown that the fit of leaders to these expectations influences their performance in a manner that the higher their congruence, the better the relationship with their subordinates will be and higher their effectiveness will be (Dorfman et al., 2012; Javidan et al., 2010). This means that leaders in line with followers’ expectations can make followers more satisfied, motivated, committed and able to achieve organizational goals (Dorfman et al., 2012; Jackson & Johnson, 2012), what consequently leads leaders to behave in consonance with the leadership prototypes of their group “not just because of their own and their employees mental models of implicit theories, but also because they know it is likely to lead to success” (Dorfman et al., 2012).

In sum we propose that organizational culture is a contextual factor that influences daily lives within organizations and, due to its relevance, literature has clarified the role of leaders in managing it (Schein, 2004, Sutarjo, 2011; Wilderon, Berg
However, the importance of considering the other side of the relationship was highlighted, as well as the way it can influence leadership behavior and effectiveness (Dorfman et al., 2012; Kwantes & Boglarsky, 2007). Hence, we expected that the analysis of cultural orientation in organizations and its interaction with leadership would increase the understanding about the acceptance of a given leadership style in different contexts, which is something especially relevant for paternalistic leadership literature.

3. Studies

3.1 Overview of Studies

To design the studies we considered the four most relevant dimensions in literature of organizational culture, which can be organized in two pairs of competing dimensions: people orientation vs outcome orientation and innovation vs stability (or bureaucratic orientation) (Delobbe, Haccoun & Vanderberghe, 2002; Quinn & Rohrbaugh, 1983; Quinn & Spreitzer, 1991; Zammuto & Krakower, 1991). Then, two experimental studies were developed to analyze the interaction of paternalistic and transformational leaders with organizational culture dimensions. In Study 1 the interaction between both leadership styles with the cultural orientation to people or outcome was considered; and in Study 2 we considered the interaction between paternalistic and transformational Leadership with the cultural dimensions of Innovation and Stability. Following this, we present the hypotheses, methods and main results of both studies.

3.2 Study 1

Contributing to the research goals of this study we analyze the influence of cultures oriented to people and culture oriented outcome to the effectiveness of paternalistic and transformational leadership.

These two cultural dimensions reflect opposite demands in organizations: the focus on internal demands such as integration, communication and well being of employees; and the focus on the external demands, expecting growth, resource acquisition and charging organization for good returns (Bradley & Parker, 2001; Quinn & Rohrbaugh, 1983; Zammuto & Krakower, 1991; Hofstede et al., 1990). Consequently, organizations oriented to people are those in which values of cooperation, mutual respect and support between employees are prevalent, and organizations oriented to outcomes values productivity and efficiency, emphasizing goals achievement and rewarding employees accordingly to their outcomes (Dellobe, Haccoun & Vanderberghe, 2002; O’Reilly, Chatman & Caldwell, 1991; Sheridan, 1992).
Paternalistic leaders control decisions and expect deference of followers, but also provide support and attention to followers (Aycan, 2006; Pellegrini & Scandura, 2008). This type of leadership creates a family environment, providing care, protection, and guidance to subordinates in both the work and non-work domains (Aycan, 2013). Because of that, when evaluating followers they assess not only the achievement of goals, but also the extent to which they express other attitudes, such as loyalty and respect among the members of a group (Aycan 2006; Aycan 2013). Consequently, literature has pointed great endorsement of this kind of leadership in contexts that values collaboration in the group (Aycan, 2006; Dorfman et al., 2012; Pellegrini & Scandura, 2006).

Transformational leadership also demonstrates attention to followers; however paternalistic leadership focuses more on issues related to work than on the well-being of individuals as a whole (Cheng et al., 2004). This orientation to work objectives is supported by research that has demonstrated that transformational leadership is an extension of transactional leadership, and the benefits of the former are just possible if it is founded in the rewards transactions of the latter (Bass, 1999; Judge & Picollo, 2004). Therefore, the inspiration for subordinates to move beyond expectations is done with an orientation to goals and target and this explains why transformational leadership is better evaluated in societies oriented to individual performance than paternalistic leadership (Dickson et al., 2012; Dorfman et al., 2012).

Consequently, considering that leaders’ behaviors and employees’ prototypes of leadership are shaped by organizational culture characteristics (Kwantes & Boglarsky, 2007) and that the fit of leaders’ attitudes and behaviors influence effectiveness in their position, it is expected that:

H1: Organizational Culture moderates the effect of leadership style on followers’ outcomes, such that PL is more effective in cultures oriented to people while TL is more effective in cultures oriented to outcomes.

3.2.1 Method

3.2.1.1 Sample

Data was collected using Mechanical Turk resources, limiting answers only for American respondents. A total of 203 surveys were returned, thirteen cases (6% of the sample) were excluded because they demonstrated inconsistency at the attention screening items, resulting in a sample of 190 respondents.

The results showed that: fifty two percent (52%) of respondents were male, and forty eight (48%) were female. The average age was thirty six years old, seventy three (73%) percent were between eighteen and forty years old, and the maximum age was seventy three. Almost all respondents, ninety eight percent (98%), have already
formally worked. In terms of tenure, fifty eight percent (58%) have between one to fifteen years of work experience.

3.2.1.2 Procedures and Analysis

We conducted a two (PLvs.TL) by two (People Orientation vs. Outcome Orientation) experimental design, with leadership style and predominant organizational cultural values as the between subject manipulations. These conditions were manipulated through vignettes and movie clips. The cultural values of the organizations were treated through vignettes following Zammuto, Gifford & Goodman, 1999, Dellobe, Haccoun and Vanderberghe (2002) and O'Reilly, Chatman and Caldwell’s (1991) descriptions of organizational culture and leadership style were treated by using movie clips which presented leaders with the characteristics described by the literature for paternalism and transformational leadership (Aycan, 2006; Pellegrini & Scandura, 2006; Avolio & Bass, 1999).

This study follows the research of Christie, Barling and Turner (2011) about pseudo transformational leadership which used scenes of movies to manipulate the leadership style. After an intensive search, two movies were selected by understanding that the protagonist leaders in their movies represented characteristics of the leadership styles manipulated in this study: Gladiator, where Maximus (Russel Crowe) showed characteristics aligned with paternalistic leaders; and Braveheart, where William Wallace (Mel Gibson) was the example of a transformational leader. After this selection, in order to make the manipulation more accurate, the scenes that better represented each leadership style were selected, resulting in the final movie clips. Both movie clips’ links and vignettes are presented in Appendix.

Participants were informed that it was an academic research about leadership and they were asked to watch a movie clip paying attention to the leader's verbal and non verbal behaviors, his attitudes and relationship with his followers. Following the movie clip it was presented two sentences to test the leadership manipulation. After that, it was presented the description of a company and participants were invited to rate a set of sentences imagining that they would start to work in this company with a supervisor who shows the characteristics of the leader in the movie clip.

The software SPSS 16.0 was used to conduct analysis, comparing differences in satisfaction with leader, leader effectiveness and work motivation. To test the hypothesis we firstly conduct a MANOVA (Multivariate Analysis of Variance) and then Two-Way ANOVAs (Analysis of Variance) for each dependent variable. To test the manipulations we conduct paired samples t-test and Chi-square test of independence.

3.2.1.3 Measures

As mentioned, three variables were used in this research: satisfaction with leader, leader effectiveness and work motivation. They were chosen understanding that
they demonstrate the effectiveness of leaders to influence followers, which consequently influences organizational performance, and are directly affect by leadership fit to followers’ prototypes of leaders (Dorfman et al., 2012; House et al, 2002; Jackson & Johnson, 2012). The scales used to measure the perception of participants are presented bellow, all theirs items were assessed with a five-point Likert scale, ranging from 1 = “Strongly Disagree” and 5 = “Strongly Agree”:

**Satisfaction with leader.** To measure followers’ satisfaction with their leader it Conger’s et al (2000) three item scale was used. An example of an item is: “I would feel good to be around him in this company”.

**Leader Effectiveness.** The perception of leader effectiveness was measured using three items adapted from Giessner & Knippenberg (2008). One of the items was: “A leader with these characteristics would satisfactorily achieve the company goals”.

**Work Motivation.** Three items adapted from Niu, Wang & Cheng (2009) scale to work motivation were used. Next we present an example of an item: “I would be willing to work hard under this style of leadership in this company”.

**Manipulation Checks.** Before conducting the studies we checked the efficacy of manipulations in a separated sample. Then, 42 undergrads enrolled in a discipline of organizational behavior were asked to watch both video clips and classify the behavior of the leaders. For each movie clip they answered a scale containing three items based in Aycan’s (2006) descriptions of paternalistic leadership and three items based on Avolio and Bass’s (1999) descriptions of transformational leadership. All items were assessed with a five-point Likert scale ranging from 1 = “Strongly Disagree” and 5 = “Strongly Agree”. Results of the paired sample t-test were significant (Paternalistic leadership (M_P = 4.07, M_T = 3.48, t (41) = 4.93, p < 0.001); Transformational leadership (M_P = 3.98, M_T = 4.37, t (41) = -2.699, p < 0.05). In this sense, we had evidences that the movie clips were effective to manipulate the leadership styles. The six items used to check manipulations of leadership style are presented in the Appendix.

During the study we tested the efficacy of leadership style manipulation as well. The manipulation was assessed by using two descriptions, one with characteristics of paternalistic leaders and the other with characteristics of transformational leaders, and then asking respondents to mark the one which was better aligned with the characteristics of the leader presented in the movie clip. These descriptions were also based on Aycan (2006) and Avolio and Bass’s (1999). By using Chi-square test of independence, significant differences were found (X^2 (1) = 25.79, N = 190, p < 0.001), confirming that respondents of the paternalistic leadership movie clip perceived the leader to be more aligned with paternalistic than transformational characteristics of leader and the same happened for the movie clip of transformational leadership. The descriptions used to check manipulations of leadership style can be seen in Appendix.

In relation to the vignettes, it was assessed in a separate sample whether the two descriptions of the organizations could be differentiated in terms of their organizations’
cultural values. A sample of 102 participants (People Orientation vignette = 47 and Outcome Orientation vignette = 55) was surveyed in Mechanical Turk, also limiting to American respondents, and they were asked to answer what was most valued in the company presented to them. The Chi-square test of independence showed a significant difference ($X^2 (1) = 65.92$, $N = 102$, $p < 0.001$) giving evidence that the vignettes’ descriptions were appropriate to manipulate the conditions.

**Attention Screening.** Understanding that the attention of respondents is crucial to the quality of the research reversed codes were included in the scale for self-efficacy. In addition to that, aligned with the study of Oppenheimer, Meyvis and Davidenko (2009), an attention screening item was added among the others scales asking respondents to click in the option “Agree” (Option 4 of a five – point Liker scale, 1 = “Strongly Disagree” and 5 = “Strongly Agree”) if they want to validate their answers. Then, as mentioned above, participants who were not consistent with these answers were eliminated.

**Control Variables.** Following previous studies, age and gender were used as covariates, understanding that they can have influence on followers’ perceptions of leadership style (Pellegrini & Scandura, 2006; Cheng et al., 2004).

### 3.2.2 Results

Descriptive statistic and correlations are reported in Table 2. In what matters to the consistence of our measures, the analysis of AVE (Average Variance Extracted) indicated that factors do not have problems of discriminant validity (AVE’s square roots for each variable: Satisfaction with leader = 0.88; Leader effectiveness = 0.84; Work Motivation = 0.85) and Cronbach’s Alpha indicated high internal consistency of the measures.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Means</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>0.48</td>
<td>0.50</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Age</td>
<td>35.75</td>
<td>11.64</td>
<td>0.19*</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Leadership style (dummy)*</td>
<td>0.49</td>
<td>0.50</td>
<td>0.01</td>
<td>0.08</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Organizational Culture (dummy)**</td>
<td>0.49</td>
<td>0.50</td>
<td>0.00</td>
<td>0.04</td>
<td>0.00</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Satisfaction with leader</td>
<td>4.09</td>
<td>0.67</td>
<td>-0.09</td>
<td>0.07</td>
<td>0.01</td>
<td>-0.06</td>
<td>(0.85)</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Leader Effectiveness</td>
<td>3.91</td>
<td>0.68</td>
<td>-0.08</td>
<td>0.14*</td>
<td>0.13</td>
<td>-0.02</td>
<td>0.76**</td>
<td>(0.80)</td>
<td>-</td>
</tr>
<tr>
<td>Work Motivation</td>
<td>4.15</td>
<td>0.60</td>
<td>-0.10</td>
<td>0.13</td>
<td>0.02</td>
<td>-0.06</td>
<td>0.78**</td>
<td>0.72**</td>
<td>(0.82)</td>
</tr>
</tbody>
</table>

Note: N = 188; *p < 0.05; **p<0.01 (2-tailed test)
Cronbach’s Alphas are given in parentheses.
*Leadership Style: 0 = Transformational Leadership; 1 = Paternalistic Leadership.
**Organizational Culture: 0 = People Orientation; 1 = Outcome Orientation
To analyze the data, we first conducted a MANOVA. It showed a significant interaction effect between leadership style and organizational culture orientation (Hottelling’s Trace: $F (1, 189) = 2.69, p < 0.05$). After that, a Two-Way ANOVA was conducted for each dependent variable, and the results are presented in the table below.

### Table 2: ANOVA Results - Study 1

<table>
<thead>
<tr>
<th>Leadership Style</th>
<th>Organizational Culture</th>
<th>Satisfaction With Leader</th>
<th>Leader Effectiveness</th>
<th>Work Motivation</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>N M SD Simple Main Effect</td>
<td>M SD Simple Main Effect</td>
<td>M SD Simple Main Effect</td>
</tr>
<tr>
<td>Paternalistic</td>
<td>People Orientation</td>
<td>47 4.277 0.579 3.363†</td>
<td>4.121 0.575 3.530†</td>
<td>4.305 0.538 5.117*</td>
</tr>
<tr>
<td></td>
<td>Outcome Orientation</td>
<td>46 4.056 0.682 3.870</td>
<td>0.708 4.021 0.664</td>
<td>4.068 0.540 0.235</td>
</tr>
<tr>
<td>Transformational</td>
<td>People Orientation</td>
<td>49 3.993 0.671 3.741</td>
<td>0.684 4.068 0.540</td>
<td>0.238 4.208 0.613</td>
</tr>
<tr>
<td></td>
<td>Outcome Orientation</td>
<td>48 4.056 0.729 0.192</td>
<td>3.910 0.710 0.238</td>
<td>4.208 0.613 0.235</td>
</tr>
</tbody>
</table>

$† p < 0.1; *p < 0.05; **p < 0.01.$

Hypothesis 1 expected that organizational culture would interact with leadership style in such a way that paternalistic leadership would be more effective in organizations where the culture is more oriented to people than to outcome, and transformational leadership would be more effective in cultures oriented to outcome than people. Three variables were used: Satisfaction with leader, leader effectiveness and work motivation.

Variables demonstrate behavior in line with the hypothesis and significant interactions between organizational culture and leadership style were found for leader-effectiveness and for motivation. For satisfaction with leader partial support was found. However, the simple main effects were significant just for PL and not for TL, indicating that the former has a stronger influence on the total interactions. Therefore, our results partially support hypothesis 1.
3.2.3 Discussion

The results of this study indicate an interaction between paternalistic leadership and transformational leadership in organizations oriented to people compared to organizations oriented outcome. They go in line with the idea that the alignment of leaders’ behavior to context is relevant to their effectiveness (Dorfman et al., 2012; Kwantes & Boglarsky, 2007; Jackson & Johnson, 2012; Schein, 2004). However, by analyzing the simple main effects it seems that the significant interactions are more influenced by the interaction of PL with both organizational culture dimensions than TL. This indicates that the extent TL interaction with these dimensions is not as linear as expected (Cheng et al., 2004). Thus, to better understand how these leadership styles interact with organizational culture, a replication of this study considering different cultural dimensions is shown to be necessary.
3.3 Study 2

In order to deepen the understanding of how organizational culture helps to explain paternalistic leadership effectiveness and differentiate it from transformational leadership, this study analyzes the interaction of these leadership styles with two other contrasting cultural dimensions: innovation and stability.

These two cultural dimensions reflect the competing organizational demands for flexibility and innovation on the one hand and for control and stability on the other (Bradley & Parker, 2001; Quinn & Rohrbaugh, 1983; Zammuto, Gifford & Goodman, 1999). Thus, organizations with cultures oriented to innovation are dynamic, open to new ideas and, as a consequence organizational rewards are linked to individual initiative (O’Donnel & Boyle, 2008; O’Reilly, Chatman, Caldwell, 1991; Sheridan, 1992), while organizations with a culture oriented to stability values control, formalization of procedures, establishment of rules and a hierarchical structure (Bradley & Parker, 2001; Dellobe, Haccoun & Vanderberghe, 2002; O’Donnel & Boyle, 2008; O’Reilly, Chatman, Caldwell, 1991; Sheridan, 1992).

Previous evidence suggests that PL and TL relate differently with these dimensions. As mentioned before, intrinsic to paternalistic leadership is not just the benevolence and care to the followers, but also the hierarchical relationship between superior-subordinate, where the leader centralizes decisions and expects deference from subordinates (Aycan, 2006; Pellegrini & Scandura, 2008). This means that these leaders value control and that their behaviors are expected in contexts where there is a clear hierarchy between subordinates and superiors, as demonstrated by Pellegrini & Scandura (2006), Aycan (2006) and Dorfman et al. (2012). In the case of transformational leadership, the relationship is inverse. This leadership style is usually represented by leaders with the capacity to inspire followers, by empowering them and stimulating the development of new ideas (Avolio & Bass, 1999; Judge & Piccollo, 2004). In this sense, studies have demonstrated positive correlation between transformational leadership and the level of entrepreneurship and innovation in organizations (Ling et al., 2008; Jansen, Vera & Crossan, 2009) and good evaluations in context with low hierarchy (Aycan, 2013; Dorfman et al., 2012).

As a result, paternalistic leadership seems better aligned with values of cultures oriented to stability than transformational leadership, and the relationship is probably inverse when an organizational culture oriented to innovation is analyzed, which leads to hypothesis 2:

H2: Organizational Culture moderates the effect of leadership style on followers’ outcomes, such that PL is more effective in cultures oriented to stability and TL is more effective in cultures oriented to innovation.
3.3.1 Method

3.3.1.1 Sample

Data was collected using Mechanical Turk resources, limiting answers only for American respondents. A total of 204 surveys were returned, however sixteen cases (7% of the sample) were excluded because they demonstrated inconsistence at the attention screening items, resulting in a sample with 188 respondents.

The results showed that: fifty five percent (55%) of respondents were male, and forty five (45%) were female. The average age was thirty five years old, seventy three (73%) percent were between eighteen and forty years old, and the maximum age was sixty five. Almost all respondents, approximately ninety eight percent (98%), have already formally worked. In terms of tenure, sixty percent (60%) have between one to fifteen years of work experience.

3.3.1.2 Procedures and Analysis

We conducted a two (PL vs.TL) by two (Stability vs. Innovation) experimental design, with leadership style and predominant organization’s cultural values the between subject manipulations. The procedures were the same of Study 1 and the manipulation was conducted using vignettes and movie clips. The movie clips were used to manipulate the leadership style and were the same as the previous study. Vignettes were also chosen to manipulate the organization’s cultural values and followed Bradley and Parker (2001), Dellobe, Haccoun and Vanderberghe (2002) and O'Reilly, Chatman & Caldwell’s (1991) descriptions of culture, but they were adapted to represent an organizational culture oriented to stability and another organizational culture oriented to innovation.

The software SPSS 16.0 was used to conduct analysis, comparing differences in satisfaction with leader, leader effectiveness and work motivation. To test the hypothesis we firstly conducted a MANOVA and then Two-Way ANOVAs for each dependent variable. To test the manipulations we conduct Chi-square test of independence.

3.3.1.3 Measures

Satisfaction with leader, leader effectiveness and work motivation were measured as in Study 1. The attention screening and control variables were also the same.

Manipulation Checks. The same procedure was maintained to measure respondents’ perceptions of the leadership styles presented in the movie clips. Aligned with the manipulation, the analysis of the Chi-square test of independence gave statistic
evidences that respondents perceived differently the style of the leaders presented in each movie clip ($X^2 (1) = 35.81, N = 188, p < 0.001$), than paternalistic leaders were more associated with paternalistic leadership’s descriptions than transformational leadership’s descriptions, and vice versa.

We also manipulated the cultural values of the company in this study and to have evidence that respondents perceived they were evaluating an organization oriented to stability or to innovation they were asked to mark what was most valued in the company described. Results gave evidences that there was a significant relationship between organizational culture’s descriptions and participants perceptions in consonance with manipulations ($X^2 (1) = 93.00, N = 188, p < 0.001$).

### 3.3.2 Results

Descriptive statistics and correlations are reported in Table 1. Taking the means into account, the standard deviations were not extremely high and the variance within each group seemed to behave similarly. In regard to the factors, the analysis of AVE indicated that they can be discriminated between each other (AVE’s square roots for each variable: Satisfaction with leader = 0.87; Leader effectiveness = 0.84; Work Motivation = 0.89). In addition, Cronbach’s Alphas demonstrated high internal consistency of the measures.

<table>
<thead>
<tr>
<th>Variables</th>
<th>Means</th>
<th>SD</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Gender</td>
<td>0.45</td>
<td>0.50</td>
<td>-</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2. Age</td>
<td>35.55</td>
<td>11.58</td>
<td>0.15*</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3. Leadership style (Dummy)*</td>
<td>0.51</td>
<td>0.50</td>
<td>-0.106</td>
<td>0.06</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>4. Organizational culture (Dummy)**</td>
<td>0.53</td>
<td>0.50</td>
<td>0.03</td>
<td>-0.05</td>
<td>0.06</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5. Satisfaction with leader</td>
<td>3.91</td>
<td>0.76</td>
<td>0.06</td>
<td>-0.04</td>
<td>0.01</td>
<td>0.09</td>
<td></td>
<td></td>
<td>(0.80)</td>
</tr>
<tr>
<td>6. Leader Effectiveness</td>
<td>3.71</td>
<td>0.80</td>
<td>-0.15*</td>
<td>-0.12</td>
<td>0.05</td>
<td>0.22**</td>
<td>0.58**</td>
<td></td>
<td>(0.80)</td>
</tr>
<tr>
<td>7. Work motivation</td>
<td>4.07</td>
<td>0.71</td>
<td>0.05</td>
<td>-0.01</td>
<td>-0.02</td>
<td>0.05</td>
<td>0.85**</td>
<td>0.53**</td>
<td>(0.86)</td>
</tr>
</tbody>
</table>

Note: N = 188; *p < 0.05 **p<0.01 (2-tailed test).
Cronbach’s Alphas are given in parentheses.
*Leadership Style: 0 = Transformational Leadership; 1 = Paternalistic Leadership.
**Organizational Culture: 0 = Stability; 1 = Innovation.

To test the hypotheses we firstly conducted a MANOVA. Results were significant indicating that an interaction between organizational culture exist (Hotelling’s Trace: $F (1, 187) = 3.69, p < 0.05$). After doing that we conducted a Two-Way ANOVA for each dependent variable, and the results of this analysis are presented below:
Hypothesis 2 predicted that organizational culture would interact with leadership style in such a way that paternalistic leadership would be more effective in cultures that value stability than innovation and transformational leadership more effective in organizations where the predominant values are innovation than stability. As in Study 1, three variables were used to measure leader effectiveness (Satisfaction with leader, leader effectiveness, work motivation).

All variables demonstrate behavior in line with the hypothesis and total interaction was significant for leader-effectiveness. Partial support was found for satisfaction with leader and work motivation. However, the analysis of the simple main effects indicates that just transformational leadership has a significant interaction with values of stability and innovation. Therefore, these results partially support hypothesis 2.
3.3.3 Discussion

The goal of Study 2 was to replicate Study 1, and increase the understanding of how both leadership styles interacts with organizational culture. Then, we analyzed the effects of cultures stability and innovation to the effectiveness of PL and TL. As in the first study, results were in line with the hypothesis and significant results were found for leader effectiveness, and partially significant for satisfaction with leader and work motivation. However, the analysis of the simple main effects of this study also gives evidence that these leadership styles interact in a different magnitude with organizational culture’s dimensions. While in Study 1 we found that PL had a stronger interaction with people and outcome demands of culture than TL, in Study 2 it seems that TL has a stronger interaction with demands for stability and innovation than PL. Thus, future research may be interested in studying further how the endorsement and effectiveness of PL and TL are influenced by the culture of organizations.
4. General Discussion

The effect caused in the effectiveness of paternalistic and transformational leadership within different organizational culture’s contexts were analyzed by applying an experimental research. Hypothesis 1 predicted that paternalistic leaders would be more effective in cultures oriented to people and TL more effective in cultures oriented to outcomes; and Hypotheses 2 predicted that paternalistic leaders would be more effective in cultures oriented to stability while transformational leaders would be more effective in cultures oriented to innovation. In general, results were as expected and supported both hypotheses.

This research was motivated by gaps in the current literature which has focused only on the analysis of national culture to contextualize the effectiveness of paternalistic leadership and also has lacked comparisons with other leadership styles (Martinez, 2003, Niu, Wan & Chang, 2009; Pellegrini & Scandura, 2006). By considering recent literature in relation to paternalistic leadership (Aycan et al., 2013; Cheng et al., 2004; Göncü, Aycan & Johson, 2014; Pellegrini, Scandura & Jayaraman, 2010) and the studies which approach organizational culture (Dorfman et al., 2012; Kwantes & Boglarsky, 2007), it was proposed that paternalistic leadership would have differences in effectiveness to transformational leadership accordingly to the organizational contexts. The explanations for that were based on the idea that situation influences leadership practices and leaders must fit organizations and followers’ expectations to be effective (Cable & Judge, 1996; Dorfman et al., 2012; Kwantes & Boglarsky, 2007; Lord et al., 2001; O’Reilly, Chatman & Caldwell, 1991; Tom, 1971).

In regard to the congruence to organizations’ characteristics, literature of person-organization fit as demonstrated that this alignment influence organizations’ hiring decisions and results, and also individuals’ positive attitudes and performance (Cable & Judge, 1996, 1997; Chapman et al., 2005; Robbins and Judge, 2009; Vanderberghe, 1999; Yu, 2014). Considering that employees who achieve leadership positions are the best evaluated in their organizational context, it would be expected that they are in consonance with organizations’ culture (Schein, 2004). In addition, organizational culture also shapes the followers’ implicit leadership theories, which have direct influence on their evaluation of leaders. Researchers have shown that the fit of leaders to subordinates’ prototypes is related to positive attitudes of employees and, consequently, determines their effectiveness (Dorfman et al., 2012; House et al., 2004; Javidan et al., 2010). Thus, organizational culture shapes the leader’s expectations of organizations and followers. For employees to become leaders and maintain themselves in this position, their attitudes and behaviors must fit these expectations.

By clarifying this it was possible to move forward and analyze how both paternalistic and transformational leadership interact with the main dimensions used to analyze organizational cultural: orientation to innovation; orientation to stability or bureaucracy; orientation to people; and orientation to outcome (O’Donnel & Boyle, 2008; O’Reilly, Chatman, Caldwell, 1991; Quinn & Rohrbaugh, 1983). In this sense, hypothesis 1
indicated the existence of an interaction between paternalistic leadership and transformational leadership in cultures oriented to people and outcome. This was expected by analyzing the literature, because paternalistic leaders place a higher value on the relationship with followers and their well-being than transformational leaders (Chen et al., 2011; Cheng et al., 2004; Pellegrini, Scandura & Jayaraman, 2010). Additionally, paternalistic leadership evaluations of employees consider other variables than just their outcomes, and transformational leadership evaluations are mainly focused on goals achievement (Pellegrini & Scandura, 2008; Aycan, 2006; Judge & Picollo, 2004). Actually, studies show that this leadership style is an extension of transactional leadership, indicating rewards and performance as the basis of transformational leaders’ relationship with subordinates (Bass, 1999; Judge & Picollo, 2004).

In relation to hypothesis 2, we found an interaction between paternalistic leadership and transformational leadership in cultures oriented to stability and innovation. This argument was made understanding that paternalistic leadership, a style which values hierarchical relationship with followers and need to centralize decisions (Aycan, 2006; Farh & Cheng, 2000; Pellegrini & Scandura, 2008) would be better related with organizations that value formalized rules, control and hierarchy, than in those that values employee initiative, autonomy and flexible structure. In comparison, due to the tendency to empower employees and inspire the development of new ideas (Avolio & Bass, 1999; Chen et al., 2011; Judge & Picollo, 2004) transformational leaders would have an opposite relationship with these dimensions, being better accepted than in organizations oriented to innovation than stability.

Although total interactions were aligned with hypotheses, the analysis of the simple main effects indicated differences in the interaction of each leadership styles and the cultural dimensions. In Study 1, just PL significantly interacted with people and outcome orientations, and in Study 2 just TL significantly interacted with the dimensions of stability and innovation. Then, there is a possibility that the relationship of PL and TL with some cultural demands is not so linear.

In the case of paternalistic leadership, the moderation in Study 1 was as expected, indicating that the protection and care provided by PL supply in a great extent the need for affect, respect, and collaboration characteristics of cultures oriented to people. However, the relationship of PL’s dimensions with the demands of stability and innovation was not strong enough, which can be explained by a balance between authority and benevolence. Wang & Cheng (2010) showed that the benevolence of leaders is positively related to creativity by demonstrating concern for followers’ development. For these authors, this occur because benevolent leaders can increase the sense of security and the propensity of them take risks and create new ideas. Thus, although the hierarchical relationship and expectation of deference from followers is a better fit for cultures that demand stability than for cultures that demand innovation, it is a possibility that the benevolence of PL attenuates the negative effect of authority to the production of innovative ideas.
For transformational leadership, the interaction in Study 2 showed that the behaviors of TL fit better the demands for innovation than the demands for stability. In Study 1, TL seems to not influence followers’ outcomes differently in cultures oriented to people and in cultures oriented to outcomes. Although we have previously argued that PL provides more attention to followers than TL, it was shown to some extent that TL also cares about subordinates’ development through individualized consideration (Avolio & Bass, 1999). Then, when analyzing the simple interaction it is possible that this attentive side makes the relationship with organizations with values oriented to people well-being to not be so negative, which diminishes the contrast with organizations which mainly value employees’ outcomes. Another explanation is that by focusing especially on the motivation and transmission of vision to followers these leaders can generate a certain extent of uncertainty in followers about how they are going to achieve the goals, and as consequence decrease the extent TL is seen as an effective leader in an environment with great pressure to achieve results.

### 4.1 Contributions

First of all this study contributes to the literature of paternalistic leadership indicating that contextual factors beyond national culture can explain the endorsement of this leadership style. The results of this research can help explain what conditions paternalistic leaders are effective in and stimulate researchers that analyze the mechanisms through they influence followers.

The comparative analysis with transformational leadership also adds to existent literature. Firstly, it helps to discriminate both leadership styles indicating that they have different ways to behave and relate with followers (Cheng et al., 2004; Göncü, Aycan & Johson, 2014). Secondly, studies have not analyzed the way organizational culture affects transformational leadership and this study can help to understand its expression in different contexts. Finally, the findings give evidences that paternalistic leadership can be more endorsed than transformational leadership depending on the organizational culture, this indicates that other comparative and contextualized analysis can be necessary to better understand both constructs; and since research was developed in an American context it can help to increase the legitimacy of paternalistic leadership among Western scholars.

Another contribution is related to the relationship between organizational culture and leadership. Studies have commonly cited these two intangible organizational resources to explain firms’ performance (Schein, 2004; Wilderom, Berg & Wiersma, 2012); however, when analyzing the interaction of these two works, they have focused on the influence of leaders to organizational culture (O’Donnel & Boyle, 2008; Schein, 2004) and few studies have analyzed the way established organizational cultures influence the way leaders behave (Kwantes & Boglarsky, 2007). Thus, by giving evidence that organizational culture influences the endorsement of determined
behaviors in organizations, this study corroborates with the argument that organizational culture can influence leadership and more effort should be invested in analyzing this interaction between the culture of organizations and leadership.

The present work can also help in the practice of management by highlighting the importance to individuals and organizations to be sensible to their context (Dickson et al., 2012; Dorfman et al., 2012; Kwantes & Boglarsky, 2007). This follows studies which indicate that person-organization fit can result in a mutual benefit for individuals and organizations, as a consequence individuals should look for organizations that fit theirs values and organizations should also look for employees who are congruent with their “personality” (Yu, 2014). Taking these findings into consideration, we can also make the argument that context is important to consider while organizations are developing the skills of their leaders since different organizations have different demands, meaning that to increase the efficacy of leadership training programs organizational goals and culture have to be taken into account.

In addition, following the argument that this study can help to increase acceptance of paternalistic leadership by Western researchers, this work can also help to diminish the negative connotation of this kind of leadership in Western organizations.

4.2 Limitations and Suggestions for Future Research

Despite the attention to developing consistent research, some limitations may be present. The first limitation is methodological and related to design, although recently authors have defended that this design increases internal validity of the study and evidence shows that results in vignettes are in line with those from direct observations (Aguinis & Bradley, 2014; Woehr and Lance, 2002). It can be difficult for respondents to think about some attitudes that demand time to be developed (Finch, 1987; Hughes, 1998). In this research it could be an explanation for the partially significant results for the variable satisfaction with leader, reflecting the difficulty of participants to assess this attitude in a hypothetical situation. Thus, future research could contribute by increasing the reality of leader-follower relationships and organizational culture scenarios in experiments or even applying a survey design.

Another methodological limitation is related to the variables of the study. Although we have built our argument around leadership effectiveness, this work did not consider variables of performance, but just the ones which are theoretically related to it. In this sense, as researchers who have analyzed leadership in different national context (Dorfman et al., 2012) further studies should include measures of subordinates and organization’s performance when analyzing the influence of organizational culture to leaders´ effectiveness.

The sample of this study can be a source of concern, as well. As responses were taken from the online software Mechanical Turk (Mturk), where people participate in research in exchange for payment, the profile of respondents may have influenced the
results. For instance, respondents on Mturk may be people that do not have good and/or stable jobs and due this instable situation they value more stable environments than other people, which might somehow influence scores of paternalism, a leadership style which diminishes the uncertainty of followers (Pellegrini, Scandura & Jayaraman, 2010). Criticism could also be raised in relation to the quality of the answers, since the faster users give answers, the faster they make money. In this matter, some actions were taken to minimize this problem as limiting the answers to respondents with an excellent history, and adding an attention screening item in the questionnaire (Oppenheimer, Meyvis & Davidenko, 2009).

As described, this article was motivated by the understanding that other contextual factors beyond national culture could help to explain the effectiveness of paternalistic leadership (Pellegrini, Scandura & Jayaraman, 2010). An underlying assumption in our argument is that national culture is not homogeneous within a country and subgroups can help to explain differences in attitudes and behaviors in the same nation. However, subgroups as organizations are part of a larger social environment, and because of these interchanges authors have defended the necessity of multi-level researches to fully understand phenomenon influenced by cultures (Dickson et al., 2012; Kwantes & Boglarsky, 2007). Thus, studies which include other levels of culture in the analysis (e.g. national culture and organizational subcultures) can help to better explain the effect of organizational culture to the endorsement and effectiveness of paternalistic leadership.

Finally, this work also considers that organizations always hire and reward leaders who are in line with their established culture, but it is also possible that in certain situations organizations look for individuals who do not fit their established organizational culture. This can happen, for instance, at times when organizations are strategically looking to change their direction and they target leaders who fit these new ideas to conduct the change and not individuals who are representative of the “old” values (Schein, 2004). The implication of this is that when analyzing the way organizational culture interacts with leadership, researchers have to consider not just for what organizations “are” but also for what organizations “want to be”.

4.3 Conclusion

In the last two decades studies have analyzed the influence of national culture to paternalistic leadership’s effectiveness; however there are cues that other contextual variables can help to explain PL endorsement as well. This study aimed to extend the understanding of paternalistic leadership in face of different contextual characteristics and another leadership style. Results indicate that PL and TL interact differently with four main dimensions of organizational culture. This gives evidences that even in low power distance and individualistic cultures PL can be effective, and the importance of paternalistic leadership to organizations is probably being underestimated by Western literature.
In conclusion, further studies are necessary to better understand the presented findings but anyway this study corroborate with recent research which have pointed that contextual factors beyond national culture can influence the effectiveness of paternalistic leaders. Thus, together with other recent studies, these findings indicate that a lot of work still to be done to deepen the comprehension of this construct and organizational culture can help to increase the understanding of the expression of PL in organizations.

5. References


36


**Appendix**

**Movie Clips**

Paternalistic Leadership

[https://www.youtube.com/watch?v=721-RxtF5lk](https://www.youtube.com/watch?v=721-RxtF5lk)

Transformational Leadership

[https://www.youtube.com/watch?v=721-RxtF5lk](https://www.youtube.com/watch?v=721-RxtF5lk)

**Vignettes**

People Orientation

Fountain Pharmaceuticals is a well succeed company in its sector. This company is recognized by its good environment of work and many people believe that this is result of its organizational culture. In the values of this company the well-fare of employees comes in first place, in this sense the organization pays attention to the work conditions and employees are stimulated to support and respect their colleagues. In other words, it is created a family environment where the good results are consequence.
Outcome Orientation

Fountain Pharmaceuticals is a well succeed company in its sector. This company is recognized as really competitive and many people believe that this is result of its organizational culture. The values of this company are oriented to the outcome of the work, in this sense employees are stimulated to get the best results they can and their rewards are based mainly on their performance. In other words, workers are expected to be proactive and the final outcome of their actions is what really matters.

Stability Orientation

Fountain Pharmaceuticals is a well succeed company in its sector. This company is recognized by its tradition, many people believe that this is result of its organizational culture. The company is very hierarchical and employees face a structured routine of work, where formal rules and the decisions of the superiors determine what they have to do. In other words, decisions are centralized and risk taking is not well seen.

Innovation Orientation

Fountain Pharmaceuticals is a well succeed company in its sector. This company is recognized as a really innovative company and many people believe that this is result of its organizational culture. The company presents a flat hierarchy and employees face a flexible routine of work, where they are stimulated to experiment new ideas. In other words, workers are empowered in this company and risk taking is encouraged.

Satisfaction with leader

Conger’s et al (2000)

1. I would feel good to be around him in this company

2. I would be satisfied because his style of leadership is the right one for getting a group's job done in this company

3. I would be pleased to work with this leader in Fountain Pharmaceuticals

Leader Effectiveness

Giessner & Knippenberg (2008)

1. A leader with these characteristics would satisfactorily achieve the company goals

2. A leader with these characteristics would be the best to manage a team in Fountain Pharmaceuticals

3. The characteristics of this leader are perfectly aligned with the culture and structure of Fountain Pharmaceuticals
Work motivation

1. I would be willing to work hard under this style of leadership in this company
2. If I were subordinate of a leader with this style in Fountain Pharmaceuticals, I would be determined to do a good job
3. I would be very motivated if I worked in a team in this company that had a leader with this style

Manipulation Checks

Three items based on Aycan (2006)

1. Maintain authority and hierarchy, expecting respect from subordinates
2. Establishes a paternal and close relationship with followers
3. Expect loyalty and deference from subordinates

Three items based on Avolio and Bass (1999)

1. Develops a attractive and challenging vision of the future
2. He is charismatic and show employees new ways to think about problems
3. Aim to motivate followers expressing a collective vision with enthusiasm

Leadership Style

Mark the description that better relates to the leader in the movie clip:

1. A leader who establishes a hierarchical relationship with his followers, where the role of the leader is to exercise authority but also to create a familiar environment, protecting and caring about his subordinates in a paternal form. In exchange, the leader expects loyalty and deference by his subordinates.

2. A leader who develops an attractive and challenging vision with his subordinates, specifying and translating such vision in actions. The leader expresses optimism and security in relation to the implementation of the vision, empowering and motivating followers to achieve this.
Organizational Culture’s Orientation

Study 1:
The culture of Fountain Pharmaceuticals values… (1. People  2. Outcome)

Study 2:
The culture of Fountain Pharmaceuticals values… (1. Stability  2. Innovation)

Attention Screening

Questionnaire’s item: To validate your answers please click in "Agree"